

# Improving Outcomes

Living Abled and Caring Counts  
Adjuster Certification Program  
Vocational Rehab Program

Chris Mandel  
Jeff Francis  
Brian Holmes



Building a Better Tomorrow

# Improving Outcomes – Living Abled and Caring Counts

Chris Mandel, RIMS–CRMP  
SVP, Strategic Solutions and  
Director, Sedgwick Institute

# Perspectives – What is advocacy?

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Third Party Claim administrator

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Insurance company

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Defense attorney

# Advocacy – Roles and responsibilities

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Injured  
Worker



Employer



Attorneys



Claims  
administrator



Physician

# Current assessment - Research

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## Johns Hopkins University School of Medicine

- Attorney involvement results in longer claim durations and higher cost

## California Workers' Compensation Institute

- 44% of all indemnity claims were represented
- 88% of all benefits paid on the claims

## Workers' Compensation Research Institute (WCRI)

- Feel threatened
- Possible claim denial
- Employment jeopardized

## Workers' Compensation Research Institute (WCRI)

- Predictors of worker outcomes

# Workers' compensation litigation costs

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LITIGATED  
FILES

*are 3X more expensive and take longer to close (4.6 years vs. 2.7 years)*



AVERAGE  
TTD

*3X higher for a litigated file (261 days vs. 80)*



STATE  
RANGE

*2-6X more expensive for a litigated file for the top 10 states*

# Productivity Impacts

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While much debate revolves around the productivity and morale impacts of both employee injury and employee absence, regardless of reason, it is clear that the cost impacts of each are multiples of direct costs.

- For on the job injuries, impacts estimates vary from 2x to 9x direct costs
- These costs can be extrapolated to apply to any reason for prolonged, unplanned or unexpected absence
- Employee morale is impacted by concerns over covering workloads for missing employees, being exposed to possibly contagious disease and the residual impacts of perceptions of unsafe workplace conditions

# Advocacy through communication

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Not what you say but how you say it

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Easily understandable language

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Compassion & empathy

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Thorough & complete



# Advocacy through disability management

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Timely and accurate payments

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Return to work

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Employer engagement

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Claims administration engagement

# Advocacy through medical care

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**Best practices**

**Timeliness**

**Right provider**

**Discounts vs.  
outcomes**

# Outcomes drive solutions

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Provider trends

Duration management

Litigation rates

# Quality physician considerations

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# Population health management

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Health advocacy

Care navigator

Medical literacy

Treatment planning

Medical concierge

Care management

# Advocacy through resolution

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Fairness



Strategic



Creativity



Understanding  
what claimant  
wants or needs

# Barriers to advocacy

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Claim culture

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Regulatory requirements

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WC/Injured Worker stigma

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Infirmity stigma & perception

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Diversity & language

## Impact of Advocacy

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**For claims that involve “positive interactions”**

- **Average claim costs drop 40%**
- **Average duration drops 58%**

**For claim handlers focused on “positive initial communications”**

- **Average medical costs drop 31%**

Source: Liberty Mutual Research Institute for Safety (2012)



# Living Abled®

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- How do we take the “**dis**” out of “**disability**” so that we can all experience joyful and productive lives?
- Why do we tolerate disabling and self-serving behaviors?
- What actions could we take as individuals and organizations to empower and stop needless disabling?

Source: Living Abled, Dr. Chris Bringham

## Needlessly disabled

- Perceived or labeled as disabled, without significant objective supporting evidence





## Challenged and empowered

- Live productive, vibrant, joyful lives despite challenges
- Inspirational



# How do we approach life?

Impairment / disability	Which is greater?
Perspective	Optimistic or pessimistic?
Emphasis	Strength or weakness?
Job / life satisfaction	Positive (happy) or negative (complain)?
Problems	How do we approach? Challenges or barriers?
Locus of control	Who is in control?
Reaction	How do we react to a problem?
Relationship	Are we independent or dependent?
Physical	Are we active or inactive (passive)?
Feelings	What are our feelings? Gratitude or angry?
Affect	Are we happy or depressed?
Resiliency	How do we deal with life's challenges?
Focus	Do we focus on litigation or health?

Living abled		Needlessly disabled
	Impairment / disability	
	Perspective	
	Emphasis	
	Job / life satisfaction	
	Problems	
	Locus of control	
	Reaction	
	Relationship	
Gratitude	Physical	Inactive
Joyful	Feelings	Anger
Strong	Affect	Depressed
Health (Function)	Resilience	Weak
	Focus	Litigation (Adversarial)

# Key points

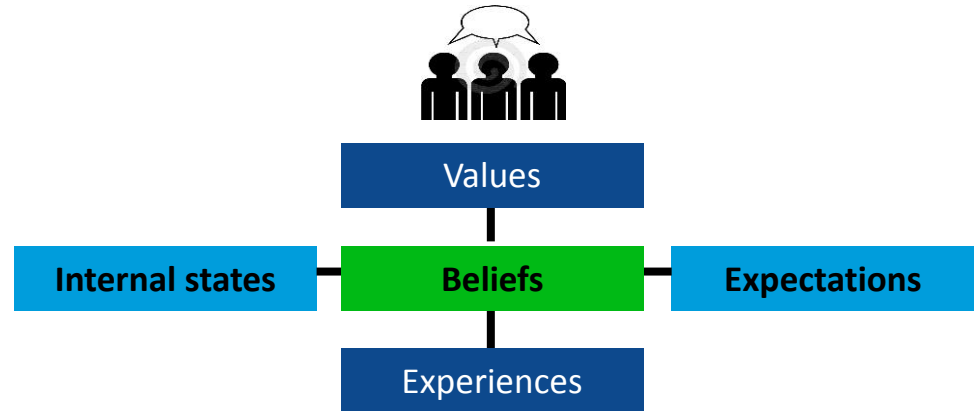
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1. **Resiliency is a critical determinate**
2. **Root causes of disability are multi-dimensional**
3. **Ignorance and greed of others often contributes to needless disability**
4. **Biopsychosocial approach is mandatory**
5. **We must engage, empower and educate those who are injured/ill**
6. **Caring counts<sup>®</sup>**



# Beliefs are powerful

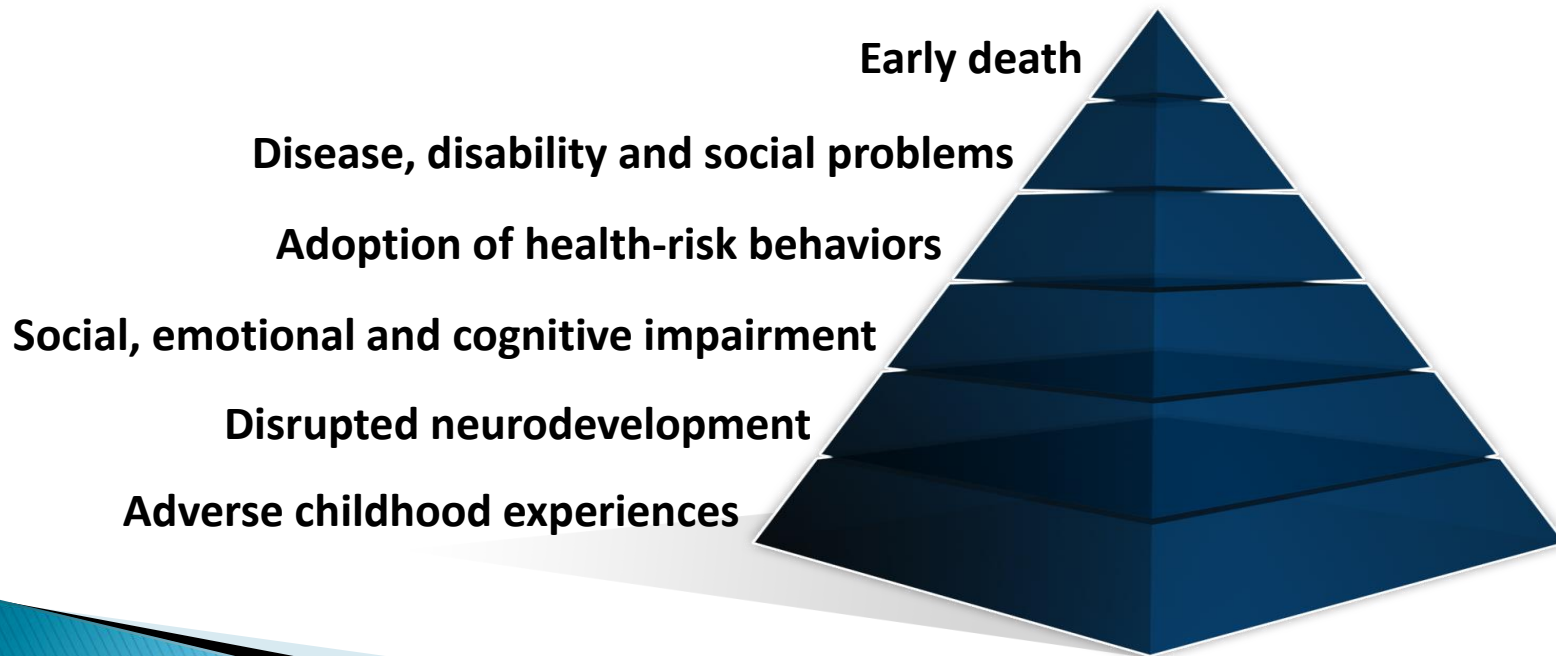
- **Expectations that we have concerning a situation**
- **Define how we see the world**
- **Many are formed in childhood**
- **Adopt beliefs conveyed by authority figure**



**Profound impact on injury,  
illness and disability**

# Adverse childhood experiences

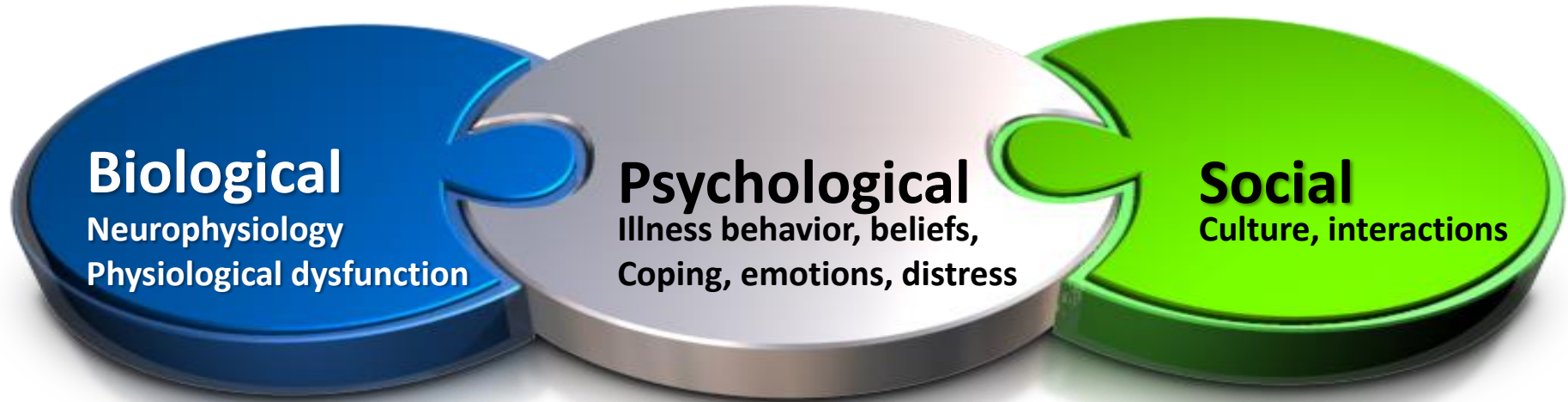
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# Biopsychosocial model

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# Providers may contribute to the problems

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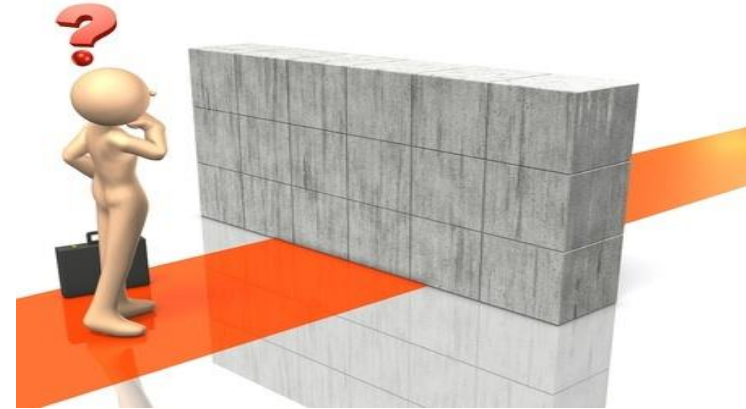


- **Latrogenesis – “first do no harm”**
- **Failure to practice evidence-based medicine**
  - Inappropriate diagnoses and labeling
  - Inappropriate diagnostic evaluation
  - Inappropriate (and self-serving) treatment
- **Inaccurate assessment of causation**
- **Inaccurate assessment of function**
- **Failure to recognize health benefits of working**
- **Failure to educate patient**



## Key drivers

- Presence and extent of verifiable medical impairment
- Patient's attitude toward disability
- Physician's attitude toward disability
- Perception of workplace support
- Available compensation




# Use what works


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# Key Take-a-Ways

- ▶ Make **advocating** for the equitable interests of the IW a priority
  - ▶ **Smooth the interaction** of injured/ill workers with often complex processes they will encounter
  - ▶ Utilize a **responsive model of care** by matching injured employees with the best and most appropriate providers
  - ▶ **Engage all participants** in the WC program – claims management team; medical providers; employer/leaders – to understand the goals
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# Key Take-a-Ways Continued

- ▶ Understand & **leverage the non-traditional available resources** for employees – mental health/EAP; health and wellness; social safety nets
  - ▶ **Outcome improvements take time.** Measure through engagement surveys; financial outcomes on health & WC; & retention of talent
  - ▶ **Take control of your life** and health and stay positive
  - ▶ Approach health problems from a “**biopsychosocial**” perspective
  - ▶ **Weigh the risk** and benefits of testing and treatment
  - ▶ Focus on a healthy **body, mind, and spirit** and the best outcomes
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## Contact information

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*Thank you!*

# Christopher E. Mandel, RF, RIMS-CRMP, CPCU, ARM-E SVP, Strategic Solutions, Sedgwick, Inc. & the Director of the Sedgwick Institute



Christopher E. Mandel is the SVP for Strategic Solutions at Sedgwick and the Director of the Sedgwick Institute. In both roles he is engaged in helping Sedgwick chart its future through the long term planning for products, services and strategic solutions for this claims and productivity management firm. He is also co-founder and EVP, Professional Services for rPM3 Solutions, LLC as well as founder and president of Excellence in Risk Management, LLC, both independent consulting firms specializing in governance, risk and compliance, with a special emphasis on enterprise risk management. rPM3 Solutions holds a patent for a unique risk measurement process known as ARQ™. Prior to electing early retirement and for ten years from 2001-2010, Mr. Mandel was head of enterprise risk management for USAA Group, a \$165 billion diversified financial services organization. At USAA, he designed, developed and led the enterprise-wide risk management and corporate insurance centers of excellence. He also served as President and Vice Chairman, Enterprise Indemnity CIC, Inc., an Arizona based alternative risk financing facility.

Mr. Mandel has more than 25 years of experience in risk management and insurance in large, global corporates. He has pioneered the development of cross-enterprise risk management capabilities resulting in S&P rating USAA as “excellent and a leader in ERM” from 2006 through 2010. In 2007, Treasury and Risk Magazine bestowed the Alexander Hamilton Award for “Excellence in ERM” on USAA. Mr. Mandel has been a long term senior leader in the Risk and Insurance Management Society including being elected President and Chief Risk Officer and was named Risk Manager of the Year in 2004. He also received RIMS’ Goodell Award (2016) for lifetime achievement.

Mr. Mandel’s deep, wide and diverse experience in all facets of risk management and insurance allows him to offer those interested in managing risk with excellence to engage him to provide everything from a comprehensive strategy and complete ERM framework to targeted guidance, tools, techniques and/or training. Mr. Mandel’s innovative approach to making risk a key strategically placed and results oriented function results from solidly connecting risk management outputs to a company’s key performance metrics and ultimately, mission accomplishment.

Mr. Mandel received his B.S. in Business Management from Virginia Polytechnic Institute and State University and an MBA in finance from George Mason University. He holds the CCSA, CPCU, ARM and AIC designations and is a frequent industry speaker, teacher and writer. He writes the “Risk Innovation” column for Risk and Insurance magazine and *in 2008 was elected a member of Risk Who’s Who (RWW). He also wrote the Ask a Risk Manager column for Business Insurance from 1996 through 2008.*

## The leader in innovative claims and productivity management solutions

**Sedgwick Claims Management Services, Inc.** is the leading North American provider of innovative claims and productivity management solutions. Sedgwick and its affiliated companies deliver cost-effective claims, productivity, managed care, risk consulting, and other services to clients through the expertise of more than 10,000 colleagues in 195 offices located in the U.S. and Canada. The company specializes in workers' compensation; disability, FMLA and other employee absence; managed care; general, automobile and professional liability; warranty and credit card claims services; fraud and investigation; structured settlements; and Medicare compliance solutions. Sedgwick and its affiliates design and implement customized programs based on proven practices and advanced technology that exceed client expectations. For eight years in a row, Sedgwick has been awarded the distinguished *Employer of Choice®* certification, the only third-party administrator (TPA) to receive this designation. In 2011 and 2012, the company was named the Best Overall TPA by buyers of risk services through an independent survey conducted by *Business Insurance*. For more see [www.sedgwick.com](http://www.sedgwick.com).

## **Vision**

The Sedgwick Institute will serve as an incubator for some of the best and brightest minds to advance the conversations that affect all the players in our industry, including injured and ill members of the workforce, insurance carriers, employers, property owners, third party claims administrators, brokers, lawmakers and medical providers. The institute's thought leaders will work individually and collaboratively to examine selected complex challenges facing the various stakeholders in our space and propose innovative options and solutions to improve public and private decision making on these issues.

## **Purpose**

The Sedgwick Institute is an interdisciplinary community of thought leaders dedicated to helping drive dialogue and action around issues affecting the risk and benefits industry.

## **Who**

To fulfill its evolving agenda, the Sedgwick Institute will leverage both full- and part-time expertise from business, government, academia and other industry sources, through visiting or full-time fellow positions. While no specific minimum criteria are anticipated for appointment, related decisions about institute appointments will be primarily a function of the issues selected to populate the agenda as it develops and evolves.



# Adjuster Certification

Assuring injured employees  
are treated fairly  
and claims are handled  
appropriately and uniformly

Tennessee Bureau of Workers' Compensation

# Welcome!

How many of you recognize this...



# Finding the “Easy Button”

Successfully Adjusting  
Workers’ Comp Claims

# Welcome!

How many of you remember this...



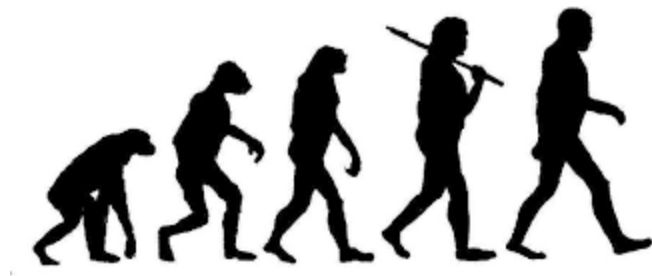


# LEGO<sup>TM</sup>

## Let's Expect Great Outcomes

# Welcome!

Much like some people believe that man has evolved over time,



Our training has evolved, too.

# Evolution

Actually, we've gone from this:



to this.

# This program represents a Paradigm Shift...

What is a Paradigm shift?

Well, it's not...



# This program represents a Paradigm Shift...

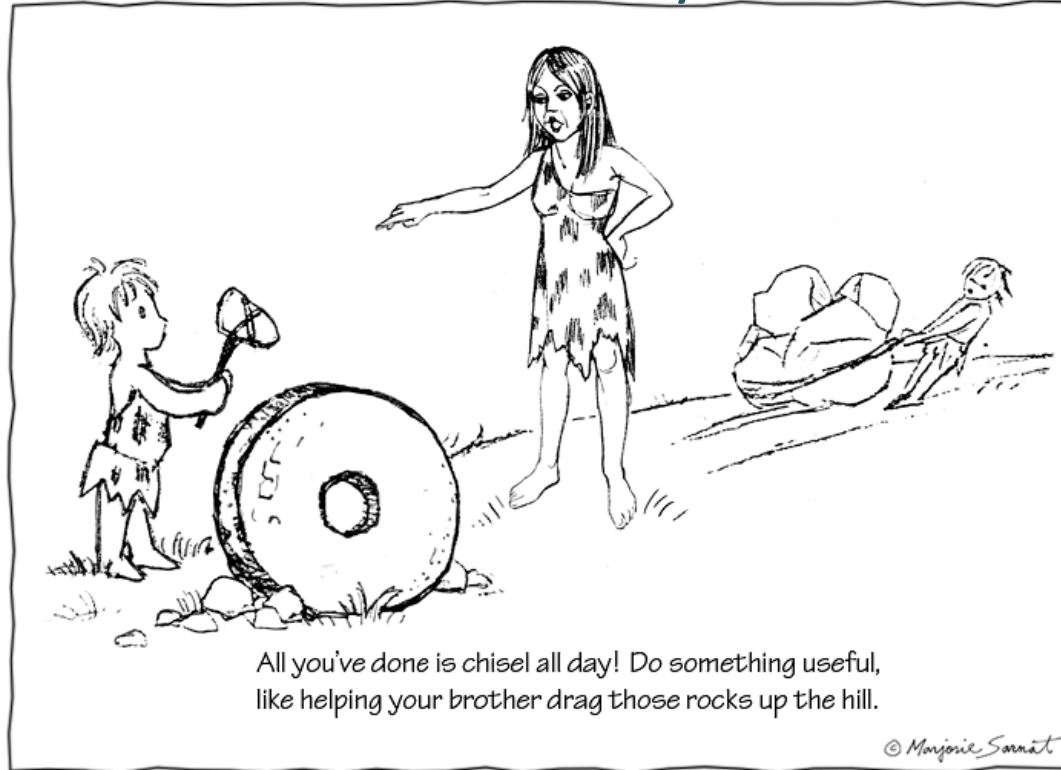


# A Paradigm Shift is a new way of thinking



# A Paradigm Shift is a new way of thinking

A willingness to realize that there may be a better way.



# Tennessee's Adjuster Certification Program

TCA §50-6-419 charges the Bureau with two requirements. To assure...

- That injured employees are treated **fairly**; and,
- Claims are handled in a **appropriate** and **uniform** manner.



# To assure Fairness, Appropriateness and Uniformity

- Look at things differently and trying new ways
- Such as an Advocacy Based Claims Model

# Components of an Advocacy Based Claims Model

- **Making the employee the center of the claim**
  - A goal of returning them to their health and to their work
- **Improving the injured workers' experiences**
  - If the IWs you usually deal with have attorneys, it is time to ask “why” when WC is the exclusive remedy
- **Improving communications from the beginning of a claim**
  - Engaging them in their own recovery plan
- **Being transparent in dealings with injured workers**
  - Communicate using words that they understand

# How to improve communications— from the beginning of a claim

- Making personal contact with the injured worker very soon after the report of injury
- Making personal contact with the employer very soon after the report of injury
- Making personal contact with the physician very soon after the first visit

# What we won't do...

...is tell you how to do your job.

None of us are adjusters. We don't know how to do your job.

# What we will do...

...is give you some tools that will make doing your job more satisfying.

And, make you better at doing your job and the process more efficient.

Which will produce better results for everyone.

And satisfy the requirements of the statute.



# Gaining Cooperation and Building Trust

Changing the way you interact with  
your customers to  
improve your customer service

**Presenter**  
Jeff Francis, Assistant Administrator

# We talk about the importance of trust.

What might you be inadvertently saying or doing that could cause you to lessen cooperation or lose trust with your customers?

- *Mammalian histone lysine methyltransferase, suppressor of variegation 39H1 (SUV39H1), initiates silencing with selective methylation on Lys<sup>9</sup> of histone H3, thus creating a high-affinity binding site for HP1. When an antibody to endogenous SUV39H1 was used for immunoprecipitation, MeCP2 was effectively coimmunoprecipitated; conversely, aHA antibodies to HA-tagged MeCP2 could immunoprecipitate SUV39H1 (Fig. 2G).<sup>2</sup>*
- PBD, Indemnity, Med-only, IME, UR, Comp rate, etc.

# Establish trust

If your claimants usually hire attorneys when they get injured, ask:

- Why do they believe that they need an attorney?
- What am I doing to lose their trust?
- What injustice do they perceive?





# Establish trust

We explore the causes of litigation.

We discuss ways to decrease litigation.



# QUALITY DECISION MAKING

Jeff Francis, Assistant Administrator

# **Factors** that impact decision making

- Emotion
- Cost
- Expectation of others
- Input from others
- Length of time we have to make a decision

# Categories of Decisions



**Programmed**



**Non-  
Programmed**



# How to Make Better Decisions in Seven Steps

# Decision Making Exercise

## “Lost at Sea”

You have chartered a yacht with three friends for a vacation sailing across the Atlantic.

None of you are experienced sailors, so you hire a skipper and two-person crew.

Unfortunately, in the middle of the Atlantic, a fire breaks out in the ship's galley and the skipper and crew die fighting the blaze. The yacht is destroyed and slowly sinking.

Your location is unclear but you believe that you are hundreds of miles from the nearest landfall.

You and your friends saved 15 items and must determine which items are the most important for your survival. You also saved a rubber life craft and a box of matches.

1. Take XX minutes to build a personal (individual) list: ranked by order of importance.



2. Take XX minutes in your team to develop a team list.



# The Making of a Claims Professional

Core Requirements for  
Succeeding as an Adjuster

Presenter  
Jeff Francis, Assistant Administrator

# Mediation of Temporary Issues: The MOST Program

**What is MOST?**



# Mediation of Issues of Permanency

**The MOST Program**



# E-Billing

Dr. Robert Snyder



# SUBSEQUENT INJURY and VOCATIONAL RECOVERY FUND

**ROBERT R. (BOB) DAVIES, DIRECTOR**



# Additional Regulatory Programs

Compliance And Fraud Awareness

**Presenter**  
Lance Wheaton

# WORKERS' COMPENSATION ADJUDICATION IN TENNESSEE

Adjuster Certification Training, November 2017  
Judge Joshua Davis Baker, Court of Workers'  
Compensation Claims, Nashville





# **APPEALS OF WORKERS' COMPENSATION CASES: WHAT ADJUSTERS NEED TO KNOW**

**Lisa Marie Crews**  
*Staff Attorney*  
*Workers' Compensation*  
*Appeals Board*



## Medical Topics

How you could needlessly be costing  
your client money and delaying recovery.



# CLAIMS ADMINISTRATION & EDI

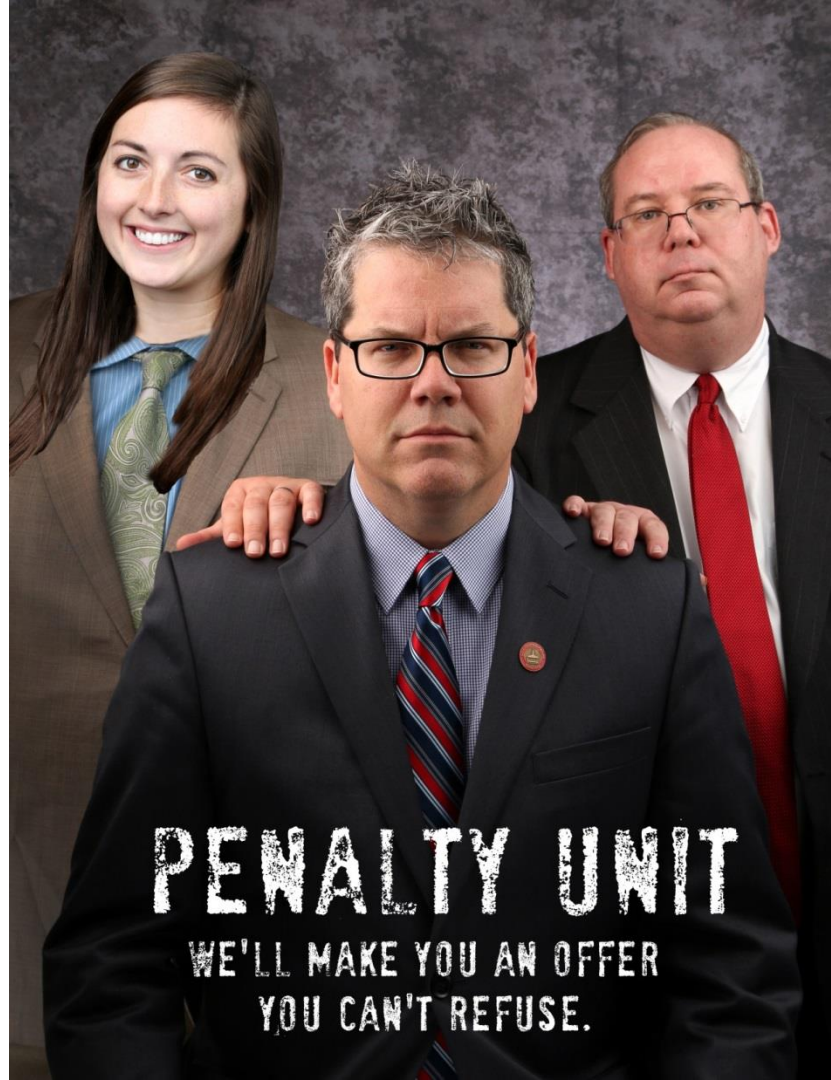




# Claims Administration Part 2

BENEFITS, PANELS

**Presenter**  
Lance Wheaton



# PENALTY UNIT

WE'LL MAKE YOU AN OFFER  
YOU CAN'T REFUSE.

# If you are an adjuster...

...and you are interested in:

- Improving your skills
- Broadening your understanding
- Distinguishing yourself from your competitors and co-workers...

## Attend our Training.

# If you are an employer or customer...

...and you are interested in:

- Having trained professional handling your claims
- Improving the experiences of your HR/Safety staff
- Helping your injured employees to receive the benefits they are entitled to receive in a timely manner

Ask your adjusters if they have  
attended our Training.

# Future Training Events

- The plans are to conduct three more events this calendar year.
  - East Tennessee
  - Middle Tennessee
    - July 26 & 27
  - West Tennessee
- Class sizes will be limited to 30 or less.



THANK YOU

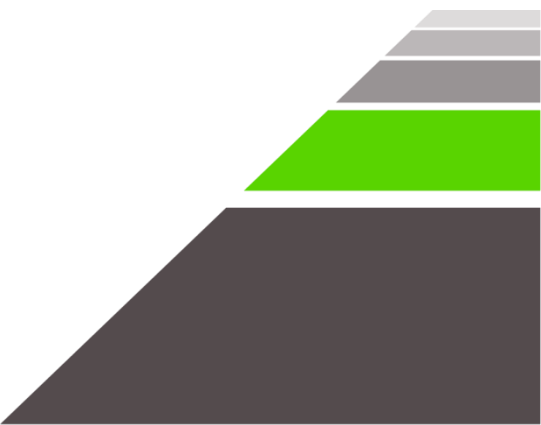
# Next Step Program

Don't Stop  
Thinking About  
Tomorrow

Brian Holmes



Building a Better Tomorrow



**Next Step**  
Program



# Difficult Questions

How much wood would a woodchuck chuck if a woodchuck could chuck wood?



# Difficult Questions

If Peter Piper picked a peck of pickled peppers, where is the peck of pickled peppers Peter Piper picked?



# Difficult Questions

*What am I supposed to do now?*

# Better Answer

- Connect permanently disabled injured workers with public institutions and monetary resources to acquire the knowledge, skills and abilities they need to return to meaningful employment.

# Answer

**Back to School,  
Back to Work**



# What

- Money for use at TN Public School
- TCAT
- 2 year
- 4 year
- \$5,000 per fiscal year
- \$20,000 per lifetime

# What

- Assistance with
  - Likes
  - Skills
  - Understanding opportunities
    - Education
    - Training
    - Available jobs
- Connect with other sources to cover costs
- TNReconnect
- Fed Government
  - Title Funding
  - Disability
  - Veteran

# Who

- TN Bureau of Workers' Compensation
- Fund Allocation Committee
- Next Step Program
- Injured Workers
- Subsequent Injury Fund
- Labor and Workforce Development



# Injured Workers' Qualification

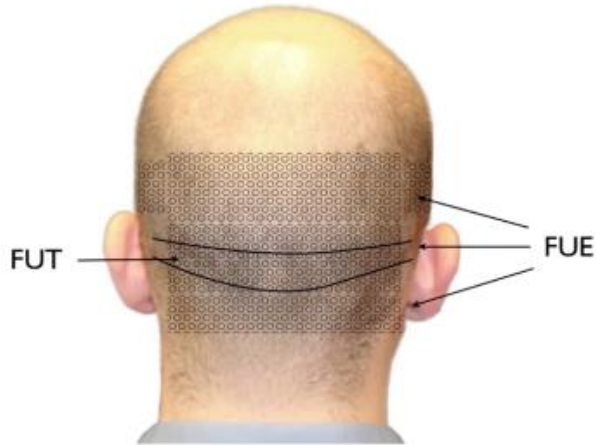
- Compensable WC Claim
- Injured between 7/1/18 and 6/30/21
- Did not return to work
- Permanent injuries
- Good candidates



# Good candidates for hair transplant

Hair Loss FAQs

**Who Makes  
a Good Hair  
Transplant  
Candidate?**



# Good candidates for vocational recovery

1. Understand and Follow Instructions
2. Training Aligns with Abilities
3. Occupational Demand
4. Ability to Engage Training

# Fund Allocation Committee



"IF AT FIRST YOU DON'T SUCCEED, APPOINT A COMMITTEE AND LET THEM WORRY ABOUT IT."

# Fund Allocation Committee

- The Administrator shall appoint a Fund Allocation Committee comprised of: representatives of employees, employers, and the medical and/or vocational rehabilitation communities with knowledge of job opportunities, ability or vocational assessment, or employment training; to assist and advise the administrator regarding the selection of fund recipients and the allocation of funds.

# Fund Allocation Committee

In advising the Administrator, the committee members shall consider the applicant's eligibility and likelihood of successful matriculation.

# Key Dates in History

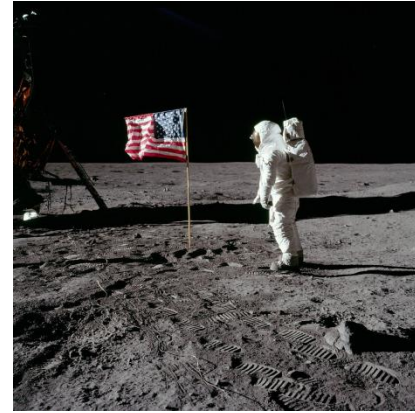
- July 4, 1776



- January 1, 1863



- July 20, 1969



- September 24, 1979



# Key Dates

- Injuries after 7/1/18 and before 6/30/2021
- Within 90 days after receiving Resulting award payment
- Re-apply within 60 days prior to end of fiscal year



# How

- Apply
- Consult
- AJC
- Committee
- Enroll
- Attend
- Graduate
- Work

## Roles within the Bureau

- Mediator
- Ombudsman
- Judge
- Administrative Staff

# Rules Promulgation - 0800-02-27-.06 PROGRAM ASSISTANCE

1. Educating interested parties about the Program, including how to navigate the application process;
2. Assisting applicants with accessing resources to define their knowledge, skills, abilities, and interests;
3. Informing interested parties about educational opportunities;
4. Assisting with enrollment in eligible educational institutions;
5. Identifying potential problems or obstacles with obtaining or maintaining eligibility
6. Assisting with discovering and implementing solutions to overcome common obstacles and
7. Reporting outcomes

# Why should you help?

- Lower long term health costs for claims with open medical benefits.
- Use training to bring experienced employees back to work.
- Improve WC System
- Reduce reliance on SSDI
- Show employees you care.

# What you can do

- Educate
- Advocate
- Assist





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# Questions?

# Thank you



Building a Better Tomorrow